



WASHINGTON COUNTY, MISSOURI

TWO YEARS ENDED DECEMBER 31, 1999

**From The Office Of State Auditor
Claire McCaskill**

Report No. 2000-60
July 25, 2000
www.auditor.state.mo.us

AUDIT REPORT



Office Of The
State Auditor Of Missouri
Claire McCaskill

July 2000

www.auditor.state.mo.us

IMPORTANT: The Missouri State Auditor is required by Missouri law to conduct audits only once every four years in counties, like Washington, which do not have a county auditor. However, to assist such counties in meeting federal audit requirements, the State Auditor will also perform a financial and compliance audit of various county operating funds every two years. This voluntary service to Missouri counties can only be provided when state auditing resources are available and does not interfere with the State Auditor's constitutional responsibility of auditing state government.

Once every four years, the State Auditor's statutory audit will cover additional areas of county operations, as well as the elected county officials, as required by Missouri's Constitution.

This audit of Washington County was a financial and compliance audit of various county operating funds.

The audit includes some matters upon which the county should consider and take appropriate corrective action.

Copies of the audit are available upon request.

YELLOW SHEET

WASHINGTON COUNTY, MISSOURI

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FINANCIAL SECTION

State Auditor's Reports



CLAIRE C. McCASKILL
Missouri State Auditor

**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL
STATEMENTS AND SUPPLEMENTARY SCHEDULE OF
EXPENDITURES OF FEDERAL AWARDS**

To the County Commission
and
Officeholders of Washington County, Missouri

We have audited the accompanying special-purpose financial statements of various funds of Washington County, Missouri, as of and for the years ended December 31, 1999 and 1998, as identified in the table of contents. These special-purpose financial statements are the responsibility of the county's management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

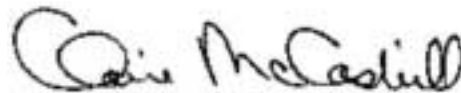
The accompanying special-purpose financial statements were prepared for the purpose of presenting the receipts, disbursements, and changes in cash of various funds of Washington County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county and are not intended to be a complete presentation of the financial position and results of operations of those funds or of Washington County.

In our opinion, the special-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of various funds of Washington County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county as of and for the years ended

December 31, 1999 and 1998, in conformity with the comprehensive basis of accounting discussed in Note 1, which is a basis of accounting other than generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we also have issued our report dated March 9, 2000, on our consideration of the county's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the special-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the special-purpose financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the special-purpose financial statements taken as a whole.

A handwritten signature in black ink, appearing to read "Claire McCaskill".

Claire McCaskill
State Auditor

March 9, 2000 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits:	Thomas J. Kremer, CPA
Audit Manager:	Alice M. Fast, CPA, CIA
In-Charge Auditor:	Karen A. Wolf
Audit Staff:	Tirennia C. Miller
	Monique Williams



CLAIRE C. McCASKILL
Missouri State Auditor

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the County Commission
and
Officeholders of Washington County, Missouri

We have audited the special-purpose financial statements of various funds of Washington County, Missouri, as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated March 9, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

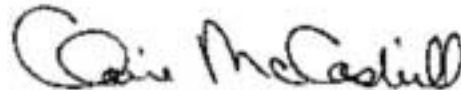
As part of obtaining reasonable assurance about whether the special-purpose financial statements of various funds of Washington County, Missouri, are free of material misstatement, we performed tests of the county's compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain immaterial instances of noncompliance, which we have reported to the management of the county in the accompanying Letter on Other Matters.

Internal Control Over Financial Reporting

In planning and performing our audit of the special-purpose financial statements of various funds of Washington County, Missouri, we considered the county's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not

necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the special-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting, which we have reported to the management of the county in the accompanying Letter on Other Matters.

This report is intended for the information of the management of Washington County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in dark ink, appearing to read "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" written in a larger, more prominent script than the last name "McCaskill".

Claire McCaskill
State Auditor

March 9, 2000 (fieldwork completion date)

Financial Statements

Exhibit A

WASHINGTON COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
YEAR ENDED DECEMBER 31, 1999

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 44,039	1,547,581	1,553,511	38,109
Special Road and Bridge	143,172	1,561,218	1,535,984	168,406
Assessment	5,710	216,565	215,806	6,469
Law Enforcement Training	1,654	5,391	3,580	3,465
Prosecuting Attorney Training	1,687	921	0	2,608
Sheriff's Law Enforcement	3,188	999,568	1,001,750	1,006
Law Enforcement Expense	81	5,700	5,684	97
Prosecuting Attorney Bad Check	21,710	14,412	3,925	32,197
Prosecuting Attorney Expense	411	20	0	431
Prosecuting Attorney Delinquent Tax	6,095	2,366	1,500	6,961
DARE	1,942	4,104	2,779	3,267
Collector's Grant	1,998	16	2,014	0
Senior Citizens' Service	38,317	80,372	73,287	45,402
Health Center	425,206	647,152	704,949	367,409
Handicapped Board	109,090	287,126	285,446	110,770
Circuit Division Interest	2,573	2,563	2,138	2,998
Industrial Development	79,147	52,008	43,234	87,921
Economic Development Tax	691,848	565,432	233,330	1,023,950
Recorder's User Fee	5,352	11,059	1,285	15,126
Domestic Violence Shelter	1,623	3,453	2,975	2,101
Sheriff's Fees	1,745	39,172	40,891	26
Family Access Fee	0	101	0	101
Election Services	0	112	0	112
Associate Circuit Division Interest	1,117	360	0	1,477
Total	\$ 1,587,705	6,046,772	5,714,068	1,920,409

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit A

WASHINGTON COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - VARIOUS FUNDS
YEAR ENDED DECEMBER 31, 1998

Fund	Cash, January 1	Receipts	Disbursements	Cash, December 31
General Revenue	\$ 26,700	1,589,824	1,572,485	44,039
Special Road and Bridge	118,684	1,484,576	1,460,088	143,172
Assessment	5,494	195,491	195,275	5,710
Law Enforcement Training	605	4,778	3,729	1,654
Prosecuting Attorney Training	867	820	0	1,687
Sheriff's Law Enforcement	14,866	949,177	960,855	3,188
Law Enforcement Expense	70	7,240	7,229	81
Prosecuting Attorney Bad Check	11,545	12,440	2,275	21,710
Prosecuting Attorney Expense	390	21	0	411
Prosecuting Attorney Delinquent Tax	3,792	2,797	494	6,095
DARE	527	3,831	2,416	1,942
Collector's Grant	1,950	48	0	1,998
Senior Citizens' Service	28,565	79,087	69,335	38,317
Health Center	196,002	928,877	699,673	425,206
Handicapped Board	101,929	270,838	263,677	109,090
Circuit Division Interest	831	2,895	1,153	2,573
Industrial Development	75,406	51,597	47,856	79,147
Economic Development Tax	341,474	539,368	188,994	691,848
Recorder's User Fee	28,438	12,530	35,616	5,352
County Clerk's Grant	49	0	49	0
Landfill	71,571	1,210	72,781	0
Domestic Violence Shelter	0	5,138	3,515	1,623
Sheriff's Fees	0	40,808	39,063	1,745
Associate Circuit Division Interest	780	337	0	1,117
Total	\$ 1,030,535	6,183,728	5,626,558	1,587,705

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit B

WASHINGTON COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 GENERAL REVENUE FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 369,444	233,203	(136,241)	316,000	340,771	24,771
Sales taxes	600,000	587,003	(12,997)	550,000	512,071	(37,929)
Intergovernmental	204,543	183,899	(20,644)	214,487	163,778	(50,709)
Charges for services	252,750	242,655	(10,095)	228,500	242,527	14,027
Interest	5,000	3,577	(1,423)	7,000	4,738	(2,262)
Other	147,903	167,630	19,727	133,600	144,638	11,038
Transfers in	132,121	129,614	(2,507)	191,451	181,301	(10,150)
Total Receipts	1,711,761	1,547,581	(164,180)	1,641,038	1,589,824	(51,214)
DISBURSEMENTS						
County Commission	109,284	113,032	(3,748)	83,301	82,447	854
County Clerk	124,851	102,157	22,694	117,265	106,272	10,993
Elections	34,320	27,599	6,721	78,092	56,053	22,039
Buildings and grounds	90,848	82,971	7,877	136,531	110,888	25,643
County Treasurer	48,391	47,017	1,374	40,852	39,758	1,094
County Collector	123,158	121,853	1,305	114,226	116,195	(1,969)
Circuit Clerk and Ex Officio Recorder of Deeds	98,042	85,089	12,953	79,113	75,142	3,971
Associate Circuit Court	32,653	30,414	2,239	38,004	34,958	3,046
Court administration	14,041	12,692	1,349	12,009	5,995	6,014
Public Administrator	44,451	35,377	9,074	39,343	36,589	2,754
Prosecuting Attorney	212,303	202,091	10,212	176,597	177,422	(825)
Juvenile Officer	123,509	110,529	12,980	127,996	127,932	64
County Coroner	30,232	33,051	(2,819)	29,568	19,485	10,083
Sheriff auxiliary	2,805	577	2,228	2,275	834	1,441
Landfill	23,556	12,478	11,078	22,927	19,178	3,749
Airport	35,962	42,571	(6,609)	42,237	47,996	(5,759)
Industrial Development Authority	72,437	69,309	3,128	70,720	66,612	4,108
University Extension	43,498	42,741	757	42,319	42,319	0
Debt service	93,000	81,585	11,415	93,000	53,956	39,044
Other	140,143	140,308	(165)	122,086	156,102	(34,016)
Transfers out	202,595	160,070	42,525	140,766	196,352	(55,586)
Emergency Fund	50,521	0	50,521	49,231	0	49,231
Total Disbursements	1,750,600	1,553,511	197,089	1,658,458	1,572,485	85,973
RECEIPTS OVER (UNDER) DISBURSEMENTS	(38,839)	(5,930)	32,909	(17,420)	17,339	34,759
CASH, JANUARY 1	44,039	44,039	0	26,700	26,700	0
CASH, DECEMBER 31	\$ 5,200	38,109	32,909	9,280	44,039	34,759

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit C

WASHINGTON COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 SPECIAL ROAD AND BRIDGE FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 346,000	347,511	1,511	368,800	306,562	(62,238)
Sales taxes	500,000	508,117	8,117	525,000	491,579	(33,421)
Intergovernmental	964,309	619,091	(345,218)	1,111,586	634,737	(476,849)
Charges for services	0	0	0	1,000	0	(1,000)
Interest	8,500	8,887	387	9,871	9,111	(760)
Other	27,500	77,612	50,112	59,000	42,587	(16,413)
Total Receipts	1,846,309	1,561,218	(285,091)	2,075,257	1,484,576	(590,681)
DISBURSEMENTS						
Salaries	559,240	531,419	27,821	516,180	499,588	16,592
Employee fringe benefits	147,276	143,408	3,868	134,760	120,969	13,791
Supplies	109,716	97,238	12,478	115,940	84,455	31,485
Insurance	15,800	18,557	(2,757)	22,000	15,678	6,322
Road and bridge materials	319,034	262,308	56,726	434,000	268,117	165,883
Equipment repairs	90,000	78,940	11,060	97,000	79,184	17,816
Equipment purchases	256,200	283,703	(27,503)	311,347	214,853	96,494
Construction, repair, and maintenance	373,781	21,700	352,081	423,282	55,569	367,713
Capital improvement	35,000	19,379	15,621	73,519	51,353	22,166
Other	23,750	19,648	4,102	24,100	29,591	(5,491)
Transfers out	59,684	59,684	0	40,731	40,731	0
Total Disbursements	1,989,481	1,535,984	453,497	2,192,859	1,460,088	732,771
RECEIPTS OVER (UNDER) DISBURSEMENTS	(143,172)	25,234	168,406	(117,602)	24,488	142,090
CASH, JANUARY 1	143,172	143,172	0	118,684	118,684	0
CASH, DECEMBER 31	\$ 0	168,406	168,406	1,082	143,172	142,090

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit D

WASHINGTON COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 ASSESSMENT FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	\$ 172,606	177,978	5,372	163,265	162,205	(1,060)
Charges for services	4,500	3,864	(636)	4,000	3,970	(30)
Interest	650	1,100	450	800	751	(49)
Other	150	6,235	6,085	100	38	(62)
Transfers in	30,805	27,388	(3,417)	32,816	28,527	(4,289)
Total Receipts	208,711	216,565	7,854	200,981	195,491	(5,490)
DISBURSEMENTS						
Assessor	209,213	215,806	(6,593)	201,531	195,275	6,256
Total Disbursements	209,213	215,806	(6,593)	201,531	195,275	6,256
RECEIPTS OVER (UNDER) DISBURSEMENTS	(502)	759	1,261	(550)	216	766
CASH, JANUARY 1	502	5,710	5,208	550	5,494	4,944
CASH, DECEMBER 31	\$ 0	6,469	6,469	0	5,710	5,710

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit E

WASHINGTON COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
LAW ENFORCEMENT TRAINING FUND

Year Ended December 31,						
1999			1998			
		Variance			Variance	
		Favorable			Favorable	
		(Unfavorable)			(Unfavorable)	
	Budget	Actual	Budget	Actual		
RECEIPTS						
Intergovernmental	\$ 0	1,997	0	1,376	1,376	
Charges for services	2,000	3,269	2,000	3,351	1,351	
Interest	50	125	50	51	1	
Transfers In	2,000	0	2,000	0	(2,000)	
Total Receipts	4,050	5,391	4,050	4,778	728	
DISBURSEMENTS						
Sheriff	4,050	3,580	4,050	3,729	321	
Total Disbursements	4,050	3,580	4,050	3,729	321	
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	1,811	0	1,049	1,049	
CASH, JANUARY 1	1,654	1,654	605	605	0	
CASH, DECEMBER 31	\$ 1,654	3,465	605	1,654	1,049	

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit F

WASHINGTON COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
PROSECUTING ATTORNEY TRAINING FUND

Year Ended December 31,						
1999			1998			
		Variance			Variance	
		Favorable			Favorable	
		(Unfavorable)			(Unfavorable)	
	Budget	Actual	Budget	Actual		
RECEIPTS						
Charges for services	\$ 825	817	700	757	57	
Interest	75	104	40	63	23	
Total Receipts	900	921	740	820	80	
DISBURSEMENTS						
Prosecuting Attorney	500	0	650	0	650	
Total Disbursements	500	0	650	0	650	
RECEIPTS OVER (UNDER) DISBURSEMENTS	400	921	90	820	730	
CASH, JANUARY 1	1,687	1,687	867	867	0	
CASH, DECEMBER 31	\$ 2,087	2,608	957	1,687	730	

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit G

WASHINGTON COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 SHERIFF'S LAW ENFORCEMENT FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Sales taxes	\$ 525,000	508,123	(16,877)	550,000	491,582	(58,418)
Intergovernmental	230,318	293,199	62,881	234,000	234,420	420
Charges for services	5,350	5,946	596	5,200	4,878	(322)
Interest	0	61	61	200	0	(200)
Other	10,500	19,292	8,792	13,150	11,408	(1,742)
Transfers in	201,791	172,947	(28,844)	130,956	206,889	75,933
Total Receipts	972,959	999,568	26,609	933,506	949,177	15,671
DISBURSEMENTS						
Salaries	731,833	737,248	(5,415)	696,774	700,146	(3,372)
Office expenditures	51,506	54,192	(2,686)	44,061	48,053	(3,992)
Equipment	48,157	48,691	(534)	52,886	46,680	6,206
Mileage and training	1,250	1,311	(61)	1,250	912	338
Other	143,400	160,308	(16,908)	150,363	165,064	(14,701)
Total Disbursements	976,146	1,001,750	(25,604)	945,334	960,855	(15,521)
RECEIPTS OVER (UNDER) DISBURSEMENTS	(3,187)	(2,182)	1,005	(11,828)	(11,678)	150
CASH, JANUARY 1	3,188	3,188	0	14,866	14,866	0
CASH, DECEMBER 31	\$ 1	1,006	1,005	3,038	3,188	150

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit H

WASHINGTON COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
LAW ENFORCEMENT EXPENSE FUND

Year Ended December 31,						
1999			1998			
		Variance			Variance	
		Favorable			Favorable	
		(Unfavorable)			(Unfavorable)	
	Budget	Actual	Budget	Actual		
RECEIPTS						
Interest	\$ 16	16	0	12	12	
Other	7,500	5,684	3,000	7,228	4,228	
Total Receipts	7,516	5,700	3,000	7,240	4,240	
DISBURSEMENTS						
Sheriff	7,300	5,684	3,000	7,229	(4,229)	
Total Disbursements	7,300	5,684	3,000	7,229	(4,229)	
RECEIPTS OVER (UNDER) DISBURSEMENTS	216	16	0	11	11	
CASH, JANUARY 1	81	81	70	70	0	
CASH, DECEMBER 31	\$ 297	97	70	81	11	

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit I

WASHINGTON COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
PROSECUTING ATTORNEY BAD CHECK FUND

		Year Ended December 31,					
		1999			1998		
				Variance Favorable (Unfavorable)			Variance Favorable (Unfavorable)
		Budget	Actual		Budget	Actual	
RECEIPTS							
Charges for services	\$	13,000	13,130	130	12,000	11,646	(354)
Interest		850	1,282	432	0	794	794
Total Receipts		13,850	14,412	562	12,000	12,440	440
DISBURSEMENTS							
Prosecuting Attorney		2,400	3,925	(1,525)	9,000	2,275	6,725
Total Disbursements		2,400	3,925	(1,525)	9,000	2,275	6,725
RECEIPTS OVER (UNDER) DISBURSEMENTS		11,450	10,487	(963)	3,000	10,165	7,165
CASH, JANUARY 1		21,710	21,710	0	11,545	11,545	0
CASH, DECEMBER 31		\$ 33,160	32,197	(963)	14,545	21,710	7,165

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit J

WASHINGTON COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
PROSECUTING ATTORNEY EXPENSE FUND

Year Ended December 31,						
1999			1998			
		Variance			Variance	
		Favorable			Favorable	
		(Unfavorable)			(Unfavorable)	
	Budget	Actual	Budget	Actual		
RECEIPTS						
Interest	\$ 25	20	30	21	(9)	
Total Receipts	25	20	30	21	(9)	
DISBURSEMENTS						
Prosecuting Attorney	10	0	0	0	0	
Total Disbursements	10	0	0	0	0	
RECEIPTS OVER (UNDER) DISBURSEMENTS	15	20	30	21	(9)	
CASH, JANUARY 1	411	411	390	390	0	
CASH, DECEMBER 31	\$ 426	431	420	411	(9)	

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit K

WASHINGTON COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
PROSECUTING ATTORNEY DELINQUENT TAX FUND

Year Ended December 31,						
1999			1998			
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Intergovernmental	\$ 2,700	2,039	(661)	1,200	2,563	1,363
Interest	300	327	27	0	234	234
Total Receipts	3,000	2,366	(634)	1,200	2,797	1,597
DISBURSEMENTS						
Prosecuting Attorney	500	1,500	(1,000)	500	494	6
Total Disbursements	500	1,500	(1,000)	500	494	6
RECEIPTS OVER (UNDER) DISBURSEMENTS	2,500	866	(1,634)	700	2,303	1,603
CASH, JANUARY 1	6,095	6,095	0	3,792	3,792	0
CASH, DECEMBER 31	\$ 8,595	6,961	(1,634)	4,492	6,095	1,603

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit L

WASHINGTON COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
DARE FUND

Year Ended December 31,						
1999			1998			
		Variance			Variance	
		Favorable			Favorable	
		(Unfavorable)			(Unfavorable)	
	Budget	Actual	Budget	Actual		
RECEIPTS						
Interest	\$ 70	112	0	62	62	
Other	4,000	3,992	1,000	3,769	2,769	
Total Receipts	4,070	4,104	1,000	3,831	2,831	
DISBURSEMENTS						
Sheriff	2,500	2,779	900	2,416	(1,516)	
Total Disbursements	2,500	2,779	900	2,416	(1,516)	
RECEIPTS OVER (UNDER) DISBURSEMENTS	1,570	1,325	100	1,415	1,315	
CASH, JANUARY 1	1,942	1,942	527	527	0	
CASH, DECEMBER 31	\$ 3,512	3,267	627	1,942	1,315	

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit M

WASHINGTON COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
COLLECTOR'S GRANT FUND

		Year Ended December 31,					
		1999			1998		
				Variance			Variance
		Budget	Actual	Favorable (Unfavorable)	Budget	Actual	Favorable (Unfavorable)
RECEIPTS							
Interest	\$	40	16	(24)	50	48	(2)
Total Receipts		40	16	(24)	50	48	(2)
DISBURSEMENTS							
Collector		2,038	2,014	24	495	0	495
Total Disbursements		2,038	2,014	24	495	0	495
RECEIPTS OVER (UNDER) DISBURSEMENTS		(1,998)	(1,998)	0	(445)	48	493
CASH, JANUARY 1		1,998	1,998	0	1,950	1,950	0
CASH, DECEMBER 31	\$	0	0	0	1,505	1,998	493

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit N

WASHINGTON COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
SENIOR CITIZENS' SERVICE FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 71,000	69,411	(1,589)	68,600	69,804	1,204
Intergovernmental	7,760	8,000	240	8,000	7,760	(240)
Interest	1,000	2,961	1,961	950	1,523	573
Total Receipts	79,760	80,372	612	77,550	79,087	1,537
DISBURSEMENTS						
Contractual services	65,760	73,155	(7,395)	66,000	69,260	(3,260)
Office expenditures	220	132	88	255	75	180
Total Disbursements	65,980	73,287	(7,307)	66,255	69,335	(3,080)
RECEIPTS OVER (UNDER) DISBURSEMENTS	13,780	7,085	(6,695)	11,295	9,752	(1,543)
CASH, JANUARY 1	38,317	38,317	0	28,565	28,565	0
CASH, DECEMBER 31	\$ 52,097	45,402	(6,695)	39,860	38,317	(1,543)

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit O

WASHTINGTON COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 HEALTH CENTER FUND

	Year Ended December 31,					
	1999			1998		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 220,000	211,044	(8,956)	181,900	216,153	34,253
Intergovernmental	355,050	362,383	7,333	596,500	659,934	63,434
Interest	11,000	11,381	381	3,200	8,787	5,587
Other	18,050	62,344	44,294	4,500	44,003	39,503
Total Receipts	604,100	647,152	43,052	786,100	928,877	142,777
DISBURSEMENTS						
Salaries	400,400	369,670	30,730	526,700	445,387	81,313
Office expenditures	70,400	69,234	1,166	78,500	80,152	(1,652)
Equipment	5,500	5,062	438	4,900	8,008	(3,108)
Mileage and training	11,000	10,203	797	28,700	18,098	10,602
Building lease payments	101,108	151,662	(50,554)	50,600	50,554	46
Other	66,250	99,118	(32,868)	96,700	97,474	(774)
Total Disbursements	654,658	704,949	(50,291)	786,100	699,673	86,427
RECEIPTS OVER (UNDER) DISBURSEMENTS	(50,558)	(57,797)	(7,239)	0	229,204	229,204
CASH, JANUARY 1	425,206	425,206	0	196,002	196,002	0
CASH, DECEMBER 31	\$ 374,648	367,409	(7,239)	196,002	425,206	229,204

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit P

WASHINGTON COUNTY, MISSOURI
 COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 HANDICAPPED BOARD FUND

Year Ended December 31,						
1999			1998			
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS						
Property taxes	\$ 235,000	242,134	7,134	203,450	235,689	32,239
Intergovernmental	11,650	14,553	2,903	13,000	13,675	675
Interest	7,000	6,756	(244)	3,000	7,926	4,926
Other	28,500	23,683	(4,817)	4	13,548	13,544
Total Receipts	282,150	287,126	4,976	219,454	270,838	51,384
DISBURSEMENTS						
Salaries	46,800	52,520	(5,720)	36,500	38,971	(2,471)
Office expenditures	21,940	44,840	(22,900)	14,056	18,464	(4,408)
Equipment	51,500	17,536	33,964	23,500	39,433	(15,933)
Mileage & training	6,150	9,000	(2,850)	5,250	4,652	598
Contractual services	208,725	161,550	47,175	242,077	156,261	85,816
Other	0	0	0	0	5,896	(5,896)
Total Disbursements	335,115	285,446	49,669	321,383	263,677	57,706
RECEIPTS OVER (UNDER) DISBURSEMENTS	(52,965)	1,680	54,645	(101,929)	7,161	109,090
CASH, JANUARY 1	109,090	109,090	0	101,929	101,929	0
CASH, DECEMBER 31	\$ 56,125	110,770	54,645	0	109,090	109,090

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit Q

WASHINGTON COUNTY, MISSOURI
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
CIRCUIT DIVISION INTEREST FUND

Year Ended December 31,						
1999			1998			
		Variance			Variance	
		Favorable			Favorable	
		(Unfavorable)			(Unfavorable)	
	Budget	Actual	Budget	Actual		
RECEIPTS						
Interest	\$ 2,500	2,563	2,000	2,895	895	
Total Receipts	2,500	2,563	2,000	2,895	895	
DISBURSEMENTS						
Circuit Clerk	2,500	2,138	0	1,153	(1,153)	
Total Disbursements	2,500	2,138	0	1,153	(1,153)	
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	425	2,000	1,742	(258)	
CASH, JANUARY 1	389	2,573	0	831	831	
CASH, DECEMBER 31	\$ 389	2,998	2,000	2,573	573	

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit R

WASHINGTON COUNTY, MISSOURI
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 INDUSTRIAL DEVELOPMENT FUND

	Year Ended December 31,		
	1999		
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Property taxes	\$ 3,550	14	(3,536)
Interest	1,950	3,594	1,644
Transfers in	48,500	48,400	(100)
Total Receipts	54,000	52,008	(1,992)
DISBURSEMENTS			
Bond payment	51,000	43,145	7,855
Other	0	89	(89)
Total Disbursements	51,000	43,234	7,766
RECEIPTS OVER (UNDER) DISBURSEMENTS	3,000	8,774	5,774
CASH, JANUARY 1	79,147	79,147	0
CASH, DECEMBER 31	\$ 82,147	87,921	5,774

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit S

WASHINGTON COUNTY, MISSOURI
 STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
 ECONOMIC DEVELOPMENT TAX FUND

	Year Ended December 31,		
	1999		
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Sales taxes	\$ 530,000	534,282	4,282
Interest	17,000	31,101	14,101
Other	0	49	49
Total Receipts	547,000	565,432	18,432
DISBURSEMENTS			
County Industrial Development Authority	0	115,000	(115,000)
Other	650,000	0	650,000
Transfers out	0	118,330	(118,330)
Total Disbursements	650,000	233,330	416,670
RECEIPTS OVER (UNDER) DISBURSEMENTS	(103,000)	332,102	435,102
CASH, JANUARY 1	691,847	691,847	0
CASH, DECEMBER 31	\$ 588,847	1,023,949	435,102

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit T

WASHINGTON COUNTY, MISSOURI
STATEMENT OF RECEIPTS, DISBURSEMENTS, AND CHANGES IN CASH - BUDGET AND ACTUAL
RECORDER'S USER FEE FUND

Year Ended December 31,			
1999			
	Budget	Actual	Variance Favorable (Unfavorable)
RECEIPTS			
Charges for services	\$ 12,000	10,604	(1,396)
Interest	500	455	(45)
Total Receipts	12,500	11,059	(1,441)
DISBURSEMENTS			
Ex Officio Recorder of Deeds	12,000	1,285	10,715
Total Disbursements	12,000	1,285	10,715
RECEIPTS OVER (UNDER) DISBURSEMENTS	500	9,774	9,274
CASH, JANUARY 1	5,352	5,352	0
CASH, DECEMBER 31	\$ 5,852	15,126	9,274

The accompanying Notes to the Financial Statements are an integral part of this statement.

Notes to the Financial Statements

WASHINGTON COUNTY, MISSOURI
NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Reporting Entity and Basis of Presentation

The accompanying special-purpose financial statements present the receipts, disbursements, and changes in cash of various funds of Washington County, Missouri, and comparisons of such information with the corresponding budgeted information for various funds of the county. The funds presented are established under statutory or administrative authority, and their operations are under the control of the County Commission, an elected county official, the Health Center Board, Handicapped Board, or the Senior Citizens' Service Board. The General Revenue Fund is the county's general operating fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

B. Basis of Accounting

The financial statements are prepared on the cash basis of accounting; accordingly, amounts are recognized when received or disbursed in cash. This basis of accounting differs from generally accepted accounting principles, which require revenues to be recognized when they become available and measurable or when they are earned and expenditures or expenses to be recognized when the related liabilities are incurred.

C. Budgets and Budgetary Practices

The County Commission and other applicable boards are responsible for the preparation and approval of budgets for various county funds in accordance with Sections 50.525 through 50.745, RSMo 1994 and RSMo Cumulative Supp. 1999, the county budget law. These budgets are adopted on the cash basis of accounting.

Although adoption of a formal budget is required by law, the county did not adopt formal budgets for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Sheriff's Fees Fund	1999 and 1998
Domestic Violence Shelter Fund	1999 and 1998
Associate Circuit Division Interest Fund	1999 and 1998
Family Access Fee Fund	1999
Election Services Fund	1999
Recorder's User Fee Fund	1998
Industrial Development Fund	1998
Economic Development Tax Fund	1998
Landfill Fund	1998

Warrants issued were in excess of budgeted amounts for the following funds:

<u>Fund</u>	<u>Years Ended December 31,</u>
Sheriff's Law Enforcement Fund	1999 and 1998
DARE Fund	1999 and 1998
Senior Citizens' Service Fund	1999 and 1998
Assessment Fund	1999
Prosecuting Attorney Bad Check Fund	1999
Prosecuting Attorney Delinquent Tax Fund	1999
Health Center Fund	1999
Law Enforcement Expense Fund	1998
Circuit Division Interest Fund	1998

Section 50.740, RSMo 1994, prohibits expenditures in excess of the approved budgets.

D. Published Financial Statements

Under Sections 50.800 and 50.810, RSMo 1994, the County Commission is responsible for preparing and publishing in a local newspaper a detailed annual financial statement for the county. The financial statement is required to show receipts or revenues, disbursements or expenditures, and beginning and ending balances for each fund.

However, the county's published financial statement for the year ended December 31, 1999, did not include the Collector's Grant Fund and the county's published financial statement for the year ended December 31, 1998, did not include the Circuit Division Interest Fund and the Associate Circuit Division Interest Fund.

2. Cash

Section 110.270, RSMo 1994, based on Article IV, Section 15, Missouri Constitution, authorizes counties to place their funds, either outright or by repurchase agreement, in U.S. Treasury and agency obligations. In addition, Section 30.950, RSMo Cumulative Supp. 1999, requires political subdivisions with authority to invest in instruments other than depository accounts at financial institutions to adopt a written investment policy. Among other things, the policy is to commit a political subdivision to the principles of safety, liquidity, and yield (in that order) when managing public funds and to prohibit purchase of derivatives (either directly or through repurchase agreements), use of leveraging (through either reverse repurchase agreements or other methods), and use of public funds for speculation. The county has not adopted such a policy.

In accordance with Statement No. 3 of the Governmental Accounting Standards Board, *Deposits with Financial Institutions, Investments (Including Repurchase Agreements), and Reverse Repurchase Agreements*, disclosures are provided below regarding the risk of potential loss of cash deposits. For the purposes of these disclosures, deposits with financial institutions are demand, time, and savings accounts, including certificates of deposit and negotiable order of withdrawal accounts, in banks, savings institutions, and credit unions.

The financial statements do not include the cash balances of the County Collector, who collects and distributes property taxes as an agent for various local governments. However, for the purpose of these risk disclosures, the County Collector's cash balances are included since collateral securities to cover amounts not covered by federal depository insurance are pledged to the county rather than to specific county officials.

Of the county's bank balance at December 31, 1999, \$1,169,932, was covered by federal depository insurance and \$4,345,703, was covered by collateral pledged by one bank and held in the county's name by the safekeeping department of an affiliate of the same bank holding company.

Of the county's bank balance at December 31, 1998, \$1,043,931, was covered by federal depository insurance and \$2,464,879, was covered by collateral pledged by one bank and held in the county's name by the safekeeping department of an affiliate of the same bank holding company.

The health center's deposits at December 31, 1999 were entirely covered by federal depository insurance or by collateral securities held by the health center's custodial bank in the health center's name.

Of the health center's bank balance at December 31, 1998, \$391,138 was covered by federal depository insurance or by collateral securities held by the health center's custodial bank in the health center's name and \$71,292 either was covered by collateral pledged by one bank and held in the health center's name by the safekeeping department of an affiliate of the same bank holding company or was uninsured and undercollateralized.

Furthermore, because of higher bank balances at certain times during the year, the amounts of uninsured and uncollateralized balances of the county and health center were substantially higher at those times than such amounts at year-end.

To protect the safety of county deposits, Section 110.020, RSMo 1994, requires depositaries to pledge collateral securities to secure county deposits not insured by the Federal Deposit Insurance Corporation.

The handicapped board's deposits at December 31, 1999 and 1998, were entirely covered by federal depositary insurance.

Supplementary Schedule

Schedule

WASHINGTON COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures	
			Year Ended December 31,	
			1999	1998
U. S. DEPARTMENT OF AGRICULTURE				
Passed through state:				
Department of Social Services -				
10.550	Food Distribution	N/A	\$ 307	0
Department of Health -				
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children	ER0045-0211	21,284	0
		ER0045-9211	63,405	17,741
		ER0045-8211	0	61,406
	Program Total		84,689	79,147
Office of Administration -				
10.665	Schools and Roads - Grants to States	N/A	128,060	110,070
U.S. DEPARTMENT OF JUSTICE				
Direct program -				
16.710	Public Safety Partnership and Community Policing Grants	N/A	37,835	50,779
Passed through:				
State Department of Public Safety -				
16.588	Violence Against Women Formula Grants	98-VAWA-0073	37,576	0
		97-VAWA-0036	0	28,764
	Program Total		37,576	28,764
16.592	Local Law Enforcements Block Grants Program	N/A	10,219	0
Missouri Sheriffs' Association -				
16.unknown	Domestic Cannabis Eradication/Suppression Program	N/A	1,679	4,103
U. S. DEPARTMENT OF TRANSPORTATION				
Passed through state Highway and Transportation Commission:				
20.205	Highway Planning and Construction	BRO 110(5)	21,024	24,655
		BRO 110(4)	0	196
	Program Total		21,024	24,851

Schedule

WASHINGTON COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures Year Ended December 31,	
			1999	1998
20.513	Capital Assistance Program for Elderly Persons and Persons with Disabilities	MO-16-0031 MO-16-0030	42,678 0	0 16,898
	Program Total		<u>42,678</u>	<u>16,898</u>
GENERAL SERVICES ADMINISTRATION				
Passed through state Office of Administration -				
39.003	Donation of Federal Surplus Personal Property	N/A	1,991	6,908
U.S. DEPARTMENT OF EDUCATION				
Passed through state Department of Mental Health -				
84.181	First Steps Program	FS01714	0	563
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Direct program -				
93.268	Immunization Grants	N/A	8,802	3,096
Passed through state:				
Department of Health -				
93.197	Childhood Lead Poisoning Prevention Projects - State and Community-Based Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children	ER0146-9211	53	195
93.268	Immunization Grants	PG0064-9211IAP PG0064-8211IAP N/A	3,160 0 41,397	125 7,085 22,484
	Program Total		<u>44,557</u>	<u>29,694</u>
Department of Social Services -				
93.563	Child Support Enforcement	N/A	3,462	6,473
Department of Health -				
93.575	Child Care and Development Block Grant	PGA067-0211 PGA067-9211 ER0146-9211 ER0146-7211	660 950 388 0	0 0 75 490
	Program Total		<u>1,998</u>	<u>565</u>

Schedule

WASHINGTON COUNTY, MISSOURI
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal CFDA Number	Federal Grantor/Pass-Through Grantor/Program Title	Pass-Through Entity Identifying Number	Federal Expenditures Year Ended December 31,	
			1999	1998
93.912	Rural Outreach-Rural Network Development Program	N/A	0	120
93.919	Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs	ERS161-00014	8,735	0
		ER0161-90011	9,124	4,070
		ER0161-0103	0	5,679
	Program Total		<u>17,859</u>	<u>9,749</u>
93.991	Preventive Health and Health Services Block Grant	N/A	493	584
93.994	Maternal and Child Health Services Block Grant to the States	ER0146-0211MCH	11,239	0
		ER0146-9211MCH	20,988	1,107
		ER0146-8211MCH	0	25,666
		ER0175-0211FP	2,588	0
		ER0175-9211FP	6,797	2,898
		ER0175-8211FP	0	6,745
		N/A	2,464	2,044
	Program Total		<u>44,076</u>	<u>38,460</u>
	Total Expenditures of Federal Awards		<u>\$ 487,358</u>	<u>411,019</u>

N/A - Not applicable

The accompanying Notes to the Schedule of Expenditures of Federal Awards are an integral part of this schedule.

Notes to the Supplementary Schedule

WASHINGTON COUNTY, MISSOURI
NOTES TO THE SUPPLEMENTARY SCHEDULE

1. Summary of Significant Accounting Policies

A. Purpose of Schedule and Reporting Entity

The accompanying Schedule of Expenditures of Federal Awards has been prepared to comply with the requirements of OMB Circular A-133. This circular requires a schedule that provides total federal awards expended for each federal program and the Catalog of Federal Domestic Assistance (CFDA) number or other identifying number when the CFDA information is not available.

The schedule includes all federal awards administered by Washington County, Missouri, except for the programs accounted for in the Hospital Fund. Federal awards for that fund have been audited and separately reported on by other independent auditors for its years ended August 31, 1999 and 1998.

B. Basis of Presentation

OMB Circular A-133 includes these definitions, which govern the contents of the schedule:

Federal financial assistance means assistance that non-Federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals

Federal award means Federal financial assistance and Federal cost-reimbursement contracts that non-Federal entities receive directly from Federal awarding agencies or indirectly from pass-through entities. It does not include procurement contracts, under grants or contracts, used to buy goods or services from vendors.

Accordingly, the schedule includes expenditures of both cash and noncash awards.

C. Basis of Accounting

Except as noted below, the schedule is presented on the cash basis of accounting, which recognizes amounts only when disbursed in cash.

Amounts for Food Distribution (CFDA number 10.550) represent the dollar value assigned to commodities based on prices provided by the state Department of Social

Services, amounts for the Capital Assistance Program for Elderly Persons and Persons with Disabilities (CFDA number 20.513) represent the federal share of the original acquisition cost of equipment received, and amounts for Donation of Federal Surplus Personal Property (CFDA number 39.003) represent the estimated fair market value of property at the time of receipt.

The direct program amounts for Immunization Grants (CFDA number 93.268) represent the original acquisition cost of varicella (chicken pox) vaccine provided to the Health Center through the Centers for Disease Control of the U.S. Department of Health and Human Services. Of the pass-through amounts for that program, \$41,397 and \$22,484 represent the original acquisition cost of other vaccines purchased by the Centers for Disease Control but distributed to the Health Center through the state Department of Health during the years ended December 31, 1999 and 1998. The amounts for the Preventive Health and Health Services Block Grant (CFDA number 93.991) represent the original acquisition cost of vaccines received by the Health Center through the state Department of Health. Of the amounts for the Maternal and Child Health Services Block Grant to the States (CFDA number 93.994), \$2,464 and \$2,044 also represent the original acquisition cost of vaccines received by the Health Center through the state Department of Health during the years ended December 31, 1999 and 1998. The remaining pass-through amounts for Immunization Grants and the Maternal and Child Health Services Block Grant to the States represent cash disbursements.

2. Subrecipients

The county provided no federal awards to subrecipients during the years ended December 31, 1999 and 1998.

FEDERAL AWARDS -
SINGLE AUDIT SECTION

State Auditor's Report



CLAIRE C. McCASKILL
Missouri State Auditor

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the County Commission
and
Officeholders of Washington County, Missouri

Compliance

We have audited the compliance of Washington County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 1999 and 1998. The county's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the county's management. Our responsibility is to express an opinion on the county's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the county's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the county's compliance with those requirements.

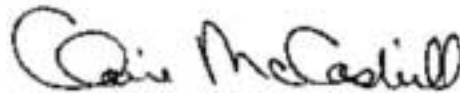
In our opinion, Washington County, Missouri, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the years ended December 31, 1999 and 1998.

Internal Control Over Compliance

The management of Washington County, Missouri, is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the county's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with the applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended for the information of the management of Washington County, Missouri; federal awarding agencies and pass-through entities; and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

A handwritten signature in dark ink, appearing to read "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" being more prominent than the last name "McCaskill".

Claire McCaskill
State Auditor

March 9, 2000 (fieldwork completion date)

Schedule

WASHINGTON COUNTY, MISSOURI
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
(INCLUDING MANAGEMENT'S PLAN FOR CORRECTIVE ACTION)
YEARS ENDED DECEMBER 31, 1999 AND 1998

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

Material weaknesses identified? yes x no

Reportable conditions identified that are
not considered to be material weaknesses? yes x none reported

Noncompliance material to the financial statements
noted? yes x no

Federal Awards

Internal control over major programs:

Material weaknesses identified? yes x no

Reportable conditions identified that are
not considered to be material weaknesses? yes x none reported

Type of auditor's report issued on compliance for
major programs: Unqualified

Any audit findings disclosed that are required to be
reported in accordance with Section .510(a) of OMB
Circular A-133? yes x no

Identification of major programs:

<u>CFDA or Other Identifying Number</u>	<u>Program Title</u>
10.557	Special Supplemental Nutrition Program for Women, Infants, and Children
10.665	Schools and Roads-Grants to States

Other Identifying

Number
93.268

Program Title
Immunization Grants

Dollar threshold used to distinguish between Type A
and Type B programs: \$300,000

Auditee qualified as a low-risk auditee? yes x no

Section II - Financial Statement Findings

This section includes no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

Section III - Federal Award Findings and Questioned Costs

This section includes no audit findings that Section .510(a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

Follow-Up on Prior Audit Findings for an
Audit of Financial Statements Performed in Accordance
With *Government Auditing Standards*

WASHINGTON COUNTY, MISSOURI
FOLLOW-UP ON PRIOR AUDIT FINDINGS FOR AN
AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

Our prior audit report issued for the three years ended December 31, 1997, included no audit findings that *Government Auditing Standards* requires to be reported for an audit of financial statements.

Summary Schedule of Prior Audit Findings
in Accordance With OMB Circular A-133

WASHINGTON COUNTY, MISSOURI
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
IN ACCORDANCE WITH OMB CIRCULAR A-133

Section .315 of OMB Circular A-133 requires the auditee to prepare a Summary Schedule of Prior Audit Findings to report the status of all findings that are relative to federal awards and included in the prior audit report's Schedule of Findings and Questioned Costs. The summary schedule also must include findings reported in the prior audit's Summary Schedule of Prior Audit Findings, except those listed as corrected, no longer valid, or not warranting further action.

Section .500(e) of OMB Circular A-133 requires the auditor to follow up on these prior audit findings; to perform procedures to assess the reasonableness of the Summary Schedule of Prior Audit Findings; and to report, as a current year finding, when the auditor concludes that the schedule materially misrepresents the status of any prior findings.

Our prior report issued for the three years ended December 31, 1997, included no audit findings that Section .510 (a) of OMB Circular A-133 requires to be reported for an audit of federal awards.

SECTION ON OTHER MATTERS

WASHINGTON COUNTY, MISSOURI LETTER ON OTHER MATTERS

We have audited the special-purpose financial statements of various funds of Washington County, Missouri, as of and for the years ended December 31, 1999 and 1998, and have issued our report thereon dated March 9, 2000. We also have audited the compliance of Washington County, Missouri, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the years ended December 31, 1999 and 1998, and have issued our report thereon dated March 9, 2000.

We did not review the operations of elected officials with funds other than those presented in the special-purpose financial statements. The operations of such officials will be reviewed and reported on during the state auditor's next scheduled audit of the county.

This Letter on Other Matters presents matters other than the findings, if any, reported in the accompanying Schedule of Findings and Questioned Costs. These matters resulted from our audits of the special-purpose financial statements of Washington County and of its compliance with the types of compliance requirements applicable to each of its major federal programs but do not meet the criteria for inclusion in the written reports on compliance and on internal control over financial reporting or compliance that are required for audits performed in accordance with *Government Auditing Standards* and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Nevertheless, the county should consider these matters and take appropriate corrective action.

1. Schedule of Expenditures of Federal Awards

The county does not have a procedure in place to track federal awards and expenditures for the preparation of the Schedule of Federal Awards. The county's schedule contained numerous errors and omissions. For example, expenditures for some federal grants were not reported at the correct amount, and some non-monetary program amounts were not presented. Other programs reported did not include the required pass-through grantor's number.

2. Tax Anticipation Notes

The county had tax anticipation notes payable of \$422,000, \$472,000, and \$492,000 at December 31, 1999, 1998, and 1997, respectively, from the General Revenue Fund. The county has not had the funds to pay back the majority of the notes in one year, rather, the tax anticipation notes have been renewed annually. However, the county has not issued new notes for several years and has budgeted an additional \$50,000 payment in the 2000 budget. Section 50.070, RSMo 1994, provides that tax anticipation notes are to be payable in one year or less from the date of issuance out of current county revenues to be derived from taxes or other revenues of the county of the year in which said notes are issued.

3. County Budgets and Contracts

Disbursements were made in excess of approved budgets for some county funds and the Senior Citizens' Service Fund (See also No. 7 and No. 8). Budgets were not prepared for some special revenue funds and several misclassifications of revenues were noted. The County Commission does not have a written agreement with the Washington County Industrial Development Authority for expenditures of economic development sales tax monies which totaled \$190,000 for the two years ended December 31, 1999.

4. Personnel and Payroll Procedures

County-paid employees who handle monies are not covered by any employee bond. The Prosecuting Attorney authorized a \$500 bonus to each of his three employees in 1999 from the Prosecuting Attorney Delinquent Tax Fund.

5. Administrative Transfer

Section 50.515, RSMo 1994, authorizes the County Commission to impose an administrative service fee on the Special Road and Bridge Fund. The fee is limited to a maximum of three percent of the budget of the Special Road and Bridge Fund. However, budgeted expenditures, upon which the county calculated the transfer amount, significantly exceeded actual expenditures of the Special Road and Bridge Fund during the year ended December 31, 1999. As a result, actual transfers were \$13,604 in excess of 3 percent of actual expenditures for that year.

6. General Fixed Assets

The county does not record all necessary information on their fixed asset listings and written authorization is not obtained for disposition of assets. In addition, the county does not perform physical inventories.

7. Handicapped Board

In 1998, the Handicapped Board created a separate not-for-profit organization to provide services for the handicapped. Six of the nine Handicapped Board members became members of the separate not-for-profit organization. Section 205.970.3, RSMo 1994, indicates that the Handicapped Board may provide handicapped services themselves. The Handicapped Board president and administrator stated the reason a separate entity was formed was to be able to solicit donations from private companies and individuals. Having the same board members serve on both boards may present an appearance of a conflict of interest.

The Handicapped Board cosigned a \$100,000 loan for a not-for-profit organization to build a sheltered workshop. Currently, the Handicapped Board is making all the principal and interest loan payments totaling \$25,990 and \$27,550, respectively, for the years ended December 31, 1999 and 1998. There is no written agreement between the Handicapped

Board and the entity documenting the services to be provided and the payments to be made for the loan.

The Handicapped Board has entered into verbal agreements with various not-for-profit entities for items such as start-up projects, operating expenses and vehicle acquisition and operation. No written contracts were entered into to formalize these agreements.

The Handicapped Board accepts both bids and funding proposals for services for the developmentally disabled. The difference between these two offers of services is not clearly stated in the board's funding manual. In addition, when seeking bids and proposals, specifications are not sufficiently detailed to assure comparable responses to the board's requests.

Actual cash amounts presented on the Handicapped Fund budget did not agree to the accounting records. In addition, cash reconciliations were not prepared with the budget documents for the Handicapped Fund. Had the cash reconciliations been properly performed, the errors could have been detected.

The Handicapped Board does not record all necessary information on their fixed asset listings and physical inventories are not documented.

The Handicapped Board paid approximately \$400 for annual banquets for the board members and their guests with public funds.

Leave records are not maintained for the Handicapped Board employees.

8. Health Center

Disbursements were made in excess of approved budgets for the Health Center Fund. The amount of collateral securities pledged by depository banks at December 31, 1998 was insufficient to cover Health Center monies. The Health Center does not record all necessary information on their fixed asset listings and physical inventories are not performed. Additionally, \$300 was paid for two retirement parties.

This Letter on Other Matters is intended for the information of the management of Washington County, Missouri, and other applicable government officials. However, this letter is a matter of public record and its distribution is not limited.